Assembly Bill No. 428

CHAPTER 120

An act to amend Section 25761 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor July 25, 2005. Filed with Secretary of State July 25, 2005.]

LEGISLATIVE COUNSEL'S DIGEST

AB 428, Gordon. Alcohol Beverage Control Fund: grant assistance program.

Existing law requires all money collected as fees under the Alcoholic Beverage Control Act be deposited in the State Treasury to the credit of the Alcohol Beverage Control Fund for specified purposes.

This bill would make legislative findings regarding the Department of Alcoholic Beverage Control's grant assistance program and provide, upon appropriation by the Legislature, that money in the fund shall also be used in an amount necessary for the support of the program, as provided.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

- (a) In 1995, the Department of Alcoholic Beverage Control embarked on a new and innovative approach to broaden and increase the level of alcoholic beverage law enforcement by working in partnership with cities and counties through a grant assistance program. The mission of the grant assistance program is to work with law enforcement agencies to develop an effective, comprehensive, and strategic approach to eliminating the crime and public nuisance problems associated with problem alcoholic beverage outlets, and then to institutionalize those approaches within the local police agency.
- (b) Communities with a high concentration of alcohol outlets experience a greater number of alcohol-related problems. Problematic operations contribute disproportionately to the incidence of drug dealing, public drunkenness, drunk driving, underage drinking, assaults, and other conditions that breed neighborhood decay. Excessive complaints and calls for service at problem outlets divert already scarce police resources.
- (c) Fiscal constraints at the state and local level have greatly reduced law enforcement staff assigned to alcoholic beverage law enforcement. Many of the state's police and sheriffs' departments have been forced to reprioritize their missions and divert their ABC-related enforcement resources to other areas such as violent crime suppression and street patrol. However, there is now a strong movement by cities and communities for

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more rigorous enforcement to control the increasing number of alcohol outlets that have become focal points for crime.

- (d) The grant assistance program is a successful model in law enforcement collaboration that results in a more effective use of human resources, a reduction in crime, and a more efficient use of taxpayer funds. The success can be measured quantitatively by the reduction in alcohol-related arrests, crimes, and calls for services in many jurisdictions. Further quantitative measures include the number of administrative accusations registered, arrests and citations, decoy programs, and community outreach meetings. Qualitative measures include declarations of satisfaction from local officers and community members, and visible improvements in the physical conditions of targeted communities.
- (e) The grant assistance program is a vital tool in the enforcement of alcohol laws, preserves the safety, welfare, health, and morals of the people of this state, and should receive a steady and secure source of funding.
- SEC. 2. Section 25761 of the Business and Professions Code is amended to read:
- 25761. All money collected as fees pursuant to this division, as payments under Section 23096, and under the excise tax provisions of this division or Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code shall be deposited in the State Treasury to the credit of the Alcohol Beverage Control Fund, which fund is continued in existence.

The money in the Alcohol Beverage Control Fund shall be expended as follows:

- (a) The amount necessary for the allowance of the refunds provided for in this division or Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code is hereby appropriated, without regard to fiscal years, to the Controller for payment of these refunds.
- (b) All money derived as payment under Section 23096 and from excise taxes under Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code remaining after compliance with subdivision (a) shall be transferred to the General Fund on the order of the Controller.
- (c) All original license fees paid on or after July 1, 1998, pursuant to Section 23954.5 shall remain in the Alcohol Beverage Control Fund.
- (d) All other money collected as fees and deposited in the Alcohol Beverage Control Fund shall be allocated, upon appropriation by the Legislature, to the Department of Alcoholic Beverage Control for the enforcement and administration of the Alcoholic Beverage Control Act.
- (e) Money transferred to the General Fund pursuant to subdivision (b) shall be in lieu of any assessment that would be made on the Department of Alcoholic Beverage Control pursuant to Section 11270 and following of the Government Code.
- (f) Upon appropriation by the Legislature, the amount necessary for the support of the Department of Alcoholic Beverage Control's grant assistance program. This amount shall be sufficient to cover the salaries

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and benefits of the alcohol beverage control peace officer positions dedicated to this program. However, based on the available revenue in the Alcohol Beverage Control Fund, the amount shall not be less than one million five hundred thousand dollars (\$1,500,000) and not more than three million dollars (\$3,000,000).